



STATE OF WASHINGTON
WASHINGTON STATE BOARD OF HEALTH
1102 SE Quince Street • PO Box 47990
Olympia, Washington 98504-7990

April 9, 2003

To: Washington State Board of Health
From: Don Sloma, Executive Director
Re: MAJOR PUBLIC HEALTH FUNDING PROPOSALS

Summary

Governor Locke's biennial budget proposal, the Senate budget proposal passed on April 4, 2003, and the impending House budget proposal each contain suggested revenue and funding schemes for public health programs in the coming biennium.

In addition, at least three pieces of legislation have been proposed during this year's legislative session that would modify or increase revenue streams for public health. They are summarized below: The full text of each bill together with its official fiscal note analysis is attached.

Bill Number:	SB 5920 HB 2070
Short Title:	Local public health services
Prime Sponsor:	West Romero
Status:	Both bills failed to pass out of fiscal committees in houses of origin by cutoff, technically dead but could be revived as necessary to enact the budget
Digest:	<p>Provides that, in addition to the levy provided for in RCW 84.52.065, in each year the state shall levy for collection in the following year a state tax of twenty-five cents per thousand dollars of assessed value upon the assessed valuation of all taxable property within the state adjusted to the state equalized value in accordance with the indicated ratio fixed by the state department of revenue.</p> <p>Directs the secretary of state to submit this act to the people for their adoption and ratification, or rejection, at the next general election to be held in this state, in accordance with Article II, section 1 of the state Constitution and the laws adopted to facilitate its operation. Provides that, if this act is not approved by a majority of the voters voting at the next general election it is null and void in its entirety.</p> <p>If approved by the voters, the bill will generate an estimated \$77 million in new property tax revenue during FY 04 and some \$154 million in FY05 the bulk of which would be deposited in a newly created local public health trust account to be distributed to local health jurisdictions according to specific provisions in the bill.</p>

Bill Number:	SB 5928
Short Title:	Candy Sales and Use Tax
Prime Sponsor:	Franklin
Status:	The bill failed to pass out of fiscal committee in the Senate by cutoff, technically dead but could be revived as necessary to enact the budget
Digest:	Would subject "candy", as defined in the bill to state sales tax and transfer some \$31 million into the county public health account. In addition, cities and counties would see revenue enhancements estimated at an additional \$9 million.

Bill Number:	HB 1265
Short Title:	Local Government Financing Assistance
Prime Sponsor:	Sump
Status:	The bill failed to pass out of fiscal committee in the House by cutoff, technically dead but could be revived as necessary to enact the budget
Digest:	Would transfer some \$285 million in the coming biennium from state sales and use tax funds from the state to several local government accounts, including the county public health account. Under the terms of this bill, the county public health account would receive some \$60 million over the course of the 2003-05 biennium.

Suggested Board Action:

None.